

Letter for the Record February 25, 2019

House Energy and Commerce Committee
Subcommittee on Consumer Protection and Commerce
Hearing on "Protecting Consumer Privacy in the Era of Big Data"

Chairwoman Schakowsky, Ranking Member McMorris Rodgers, and members of the subcommittee:

Thank you for the opportunity to contribute to the record on the issue of consumer privacy in the era of big data. We appreciate the committee dedicating time to one of the most pressing issues facing not just the technology industry and the companies of all sizes that comprise it, but every industry and company that deals with consumer data.

Startups undoubtedly don't get the most attention in the current debate over consumer privacy, but they're the ones that stand the most to lose. With every headline-grabbing misstep by Internet giants, consumers lose trust in the Internet ecosystem. New and small startups don't have the longstanding reputations or relationships with consumers to weather those losses in trust. At the same time, as policymakers consider putting new privacy protections into law, it's the startups without large budgets and legal teams that will have the most trouble navigating a new legal and regulatory landscape. Ironically, the fear of privacy harms at the hands of Internet giants could result in rules and regulations that end up cementing the marketplace power of those very companies.

As the subcommittee continues discussing this issue, we hope lawmakers consider the perspective of the small businesses that make up the thriving U.S. startup ecosystem. As we told the National Telecommunications and Information Administration in comments last year (which are attached): "While the trope of a young startup CEO coding an ingenious app out of a garage or dorm room with little regard for its users has pervaded popular culture, the U.S. startup ecosystem is full of companies working in good faith to protect the privacy and security of their users." We hope lawmakers work to protect those companies' ability to innovate and benefit consumers while advancing privacy protections.

Sincerely,

Evan Engstrom
Executive Director
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